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CHINA OCEAN SHIPBUILDING INDUSTRY GROUP LIMITED

中海船舶重工集團有限公司

(Incorporated in the Bermuda with limited liability)

(Stock code: 00651)

PROFIT WARNING

This announcement is made by China Ocean Shipbuilding Industry Group Limited (the “Company”, together with its subsidiaries, the “Group”) pursuant to rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The Board wishes to inform the shareholders of the Company (“Shareholders”) and potential investors that based on the preliminary review of the unaudited management accounts of the Group, the Group is expected to record a significant decrease in revenue and an increase in loss for the six months ended 30 June 2014 as compared to those for the corresponding period of last year. The decrease in revenue was mainly due to the failure to commence construction works on new orders in the first half of the year as stated in the Company’s 2013 annual report; while the increase in loss were mainly due to (i) the decreased in revenue; (ii) one-off losses on issuing share options and modification of the terms of convertible note payable. Both one-off losses are non-cash in nature and do not have impact on the operating cash flows of the Group.

The Company wished to emphasize that the information contained in this announcement is based on the preliminary review of the management accounts of the Group and the information currently available to the Board. As at the date of this announcement, the Group’s interim results for the six months ended 30 June 2014 have not been finalized. Shareholders and investors are advised to read carefully the interim results announcement of the Company for the six months ended 30 June 2014 which is expected to be published by the end of August 2014.

By order of the Board
China Ocean Shipbuilding Industry Group Limited
CHAU On Ta Yuen
Chairman

Hong Kong, 25 August 2014

As at the date of this announcement, the Board of the Company comprises six executive directors, namely, Mr. Chau On Ta Yuen, Mr. Li Ming, Mr. Zhang Shi Hong, Mr. Wang San Long, Mr. Tse Kwing Chuen and Mr. Chen Hong; and three independent non-executive directors, namely, Ms. Xiang Siying, Mr. Hu Bai He and Xiang Ying.